



Kevin Murray
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SB 1 (Murray and Campbell) One Million Solar Roofs

SUMMARY:

SB 1 seeks to support the installation of solar energy systems on one million new and existing roofs over the next 13 years. This will offer energy savings for all electric customers during peak demand periods, provide long term cost savings for ratepayers and contribute to a more diversified and less risky energy portfolio for California.

These incentives would reduce the cost of a 2kW solar energy system to about \$8,000. Priced into a mortgage with 6% interest, this adds approximately \$48 a month to a homeowners' bill. The homeowner will save \$54/month on their energy bill. Thus, there is a cost-benefit to the consumer from day one.

With full implementation, the program is projected to provide California with over 3,000 megawatts of solar power, and offset more than 50 million tons of CO₂, which is the annual emissions equivalent of 400,000 vehicles. This bill is based on a plan developed in partnership with the Governor and with input from environmentalists, homebuilders, energy advocates, the solar industry and state agencies.

HIGHLIGHTS OF SB 1:

- Residential and Commercial Focus: This plan targets the residential and commercial solar market. Incentives will target both retrofits and new construction with an aim to put solar energy systems on 1 million roofs in 13 years.
- Builders to offer solar powered homes: Builders will be required to offer a solar energy system option for homes in every major subdivision with 50 or more homes.
- Incentives and Rebates: The California Energy Commission (CEC) will offer incentives to place solar panels on new and existing residential homes that declines each year and sunsets by January 1, 2015.
- Consumer Mortgage Financing: Taking advantage of the customer-friendly financing of solar energy systems as part of a new home mortgage, annual electricity savings are projected to exceed the mortgage payment on the system.
- Statewide Reach: Customers of both investor-owned and municipal utilities may take part in the plan.

- Funding: The funding will come from multiple sources. Solar energy systems would immediately qualify for the nearly \$200 million dollars in existing incentives for renewable energy. The self-generation incentive program which was recently expanded and extended by the California Public Utilities Commission (CPUC) will provide over \$200 million annually for commercial rebates. The CPUC will review all existing incentive programs to seek additional money for the program. In addition, the PUC is tasked with determining whether the state will reach the goal of one million solar roofs by 2017. If additional funds are needed, the PUC may raise revenue by an amount not to exceed one-twentieth of a penny per kilowatt hour.
- Affordable and Low-Income Housing: The CEC will ensure proportional program support, not to exceed 10% of overall program funds, for installation of solar systems on the new construction and rehabilitation of affordable housing units, including single and multi-family.
- Performance Incentives: The CEC will have authority to adjust incentives to target systems with the best performance and reliability.

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